

EXHIBIT A

the later of (i) the expiration of the Lease Term and (ii) Tenant's delivery of the Premises to the Authority in compliance with the requirements of this Lease, provided, however, that the Authority may retain the Security Deposit until such time as any amount due from the Tenant under this Lease has been determined and paid in full. The Tenant shall not assign nor encumber its contingent rights in the Security Deposit separate from this Lease, and neither shall the Authority nor its successors or assigns be bound by any such assignment or encumbrance.

6.6 Letter of Credit in Lieu of Security Deposit. Tenant may, upon prior written approval by the Authority, submit an irrevocable letter of credit ("Letter of Credit") in lieu of the Security Deposit provided for in Section 6.5. Said Letter of Credit shall be in the form attached hereto as **Exhibit F** for a term of not less than one (1) year, and shall be drawn on a domestic commercial bank located in Boston, New York City or another city on the east coast of the United States reasonably acceptable to the Authority with at least a single A credit rating from Standard & Poor's or Moody's (the "Bank") acceptable to the Authority, in the same amount as that required for the Security Deposit in Section 6.5. Tenant shall post a substitute Letter of Credit not less than thirty (30) days prior to the expiration of the then effective Letter of Credit. The substitute Letter of Credit shall be on the same terms as the original Letter of Credit, whether or not any amounts have been drawn on any previous Letter of Credit. If a substitute Letter of Credit is not provided in accordance with this Section 6.6, the Authority may draw upon the Letter of Credit prior to expiration and hold such sum as the Security Deposit. In the event that Tenant does not submit a Letter of Credit as provided herein, Tenant shall submit a Security Deposit as provided in Section 6.5. The Authority shall be entitled to draw on such Letter of Credit and apply the amounts so drawn, pro tanto, in the same manner and to the same extent as provided for with the Security Deposit in Section 6.5.

6.7 Waiver of Security Deposit Requirement. In the event that Tenant maintains a good payment history of all amounts due to the Authority and is in compliance with all other terms and conditions of this Lease, the Authority may waive the requirements of Section 6.5 and/or Section 6.6, as applicable. A good payment history shall mean that, for the prior three-year period (a) Tenant has paid all undisputed amounts due to the Authority under this Lease and its other agreements with the Authority (e.g. Rent, landing fees, passenger fees, aircraft parking, security badges, ramp permits, signage, etc.) within three (3) business days of the due date ("Payment Due Date"); (b) Tenant has identified any and all disputed amounts by the Payment Due Date and has made best efforts to resolve and/or pay the disputed amounts within sixty (60) days of the Payment Due Date; and (c) Tenant has reported and paid all Passenger Facility Charges, as required. In the event that Tenant at any time during the Term fails to maintain a good payment history, the waiver of the security deposit requirement may be rescinded, and Tenant shall comply with Sections 6.5 and/or 6.6 as applicable within ten (10) days of its receipt of written notice therefor.

ARTICLE 7

USE OF PREMISES

7.1 Permitted Uses. The Premises shall be used only for the following uses ("Permitted Uses") in accordance with the provisions specified herein, and for no other purposes whatsoever.

(a) **Premises.** The Authority hereby grants to Tenant the permission and privilege of

utilizing and Tenant hereby covenants to use the Premises from time to time located in the Terminal in connection with Tenant's business of transportation by passenger aircraft as an air transportation company duly certificated by the Federal Aviation Administration (which shall not involve general aviation or air taxi operations, as defined in Title 14, Section 298 of the Code of Federal Regulations), for the following purposes and activities only which shall be directly related to Tenant's authorized operations:

- (i) For the reservation of space and the sale of tickets for transportation on aircraft;
- (ii) For the reservation and the sale of tickets for air transportation by other carriers but only as incidental to or in connection with air transportation or for the accommodation or convenience of the incoming or outbound passengers at the Airport. Tenant shall conduct all such operations at the Terminal for the reservation of space and the sale of tickets, including by automated ticketing machines ("ATMs"), on the Premises and not in any other part of the Terminal;
- (iii) For the handling of unclaimed baggage and lost and found articles;
- (iv) For the conduct of operations, communications, reservations, and administrative office functions and activities in connection with air transportation performed by Tenant and Tenant's Affiliated Air Carriers' and Tenant's permitted subtenants as provided in ARTICLE 16, and other airlines operating under permitted handling agreements as provided in Section 16.4;
- (v) For use as crew quarters to be used by personnel of Tenant and Tenant's Affiliated Air Carriers' during layovers between flights;
- (vi) For the loading and unloading of passengers, baggage, mail, and air cargo on passenger flights at the Terminal;
- (vii) For the training of personnel employed or to be employed by Tenant;
- (viii) For the purchase, on or off Airport, and receipt by Tenant and Tenant's Affiliated Air Carriers' (i.e., for Tenant's and Tenant's Affiliated Air Carriers' own aircraft/equipment only) of gasoline, fuel, lubricating oil, grease and other aircraft supplies and food and other passenger supplies, provided that aircraft fuel shall be stored and delivered on-Airport only from an Authority authorized Airport fuel distribution system;
- (ix) For the handling of baggage, whether by Tenant's own employees, by Tenant's employees in conjunction with the employees of other airlines or by the employees of an authorized independent contractor the operations of which shall be the sole responsibility of Tenant;
- (x) For the check-in of passengers;
- (xi) For the installation, operation, and maintenance of telecommunications equipment customarily used in air transportation operations, subject to approval under the TAA Process; and
- (xii) For the conduct of other activities incidental to the provision of passenger air transportation subject to the Authority's prior written approval which may be withheld for any reason which the Authority determines has or may have an impact upon the Authority, the Airport

or its efficient or productive operations, provided that any approval of any additional use may be conditioned upon a reasonable increase in the Rent reflective of such increase in activities and inclusion of additional provisions in this Lease.

(b) Ramp Area. Subject to the Authority's policies of general applicability, Tenant shall also have the right to use the Ramp Area for the purpose of operational staging of equipment for fueling, servicing, loading, unloading or routine line maintenance of Tenant's aircraft and conducting any activities on behalf of aircraft owned by other air carriers, as may be approved by the Authority, subject to the following:

(i) Nothing in this subsection (b) shall be implied or construed to grant to Tenant rights to (A) fuel aircraft (including non-jet aircraft) owned or operated by other air carriers not affiliated with Tenant; or (B) stage or park any non-jet aircraft or Regional Jet Aircraft owned or operated by Tenant or other air carriers; or (C) stage or park any international aircraft;

(ii) Nothing herein shall be implied or construed to grant to Tenant rights to store or park equipment on the Ramp Area;

(iii) The Authority shall have final right of approval over the use of the Ramp Area consistent with the rights expressly granted Tenant hereunder;

(iv) Without limitation of the rights reserved to the Authority elsewhere in this Lease to provide directions and establish rules and regulations, Tenant shall assure that its operations within the Ramp Area are conducted in a safe and orderly manner and that the Ramp Area is kept in a safe, clean and neat condition and in compliance with the terms of the Lease;

(v) Tenant shall not perform major aircraft maintenance of any kind in the Ramp Area;

(vi) Not later than the Commencement Date, Tenant shall submit to the Authority an Approved Aircraft Parking Plan. Tenant shall comply with the Approved Aircraft Parking Plan. Upon request by the Authority, in the event of recapture of Gates pursuant to the Preferential Gate Use Policy attached hereto as **Exhibit D**, or in the event that Tenant's schedule change in the Official Airline Guide results in a change of gate utilization or type of aircraft not previously approved by the Authority, Tenant shall submit a revised Approved Aircraft Parking Plan for the Authority's approval under its TAA Process either forty-five (45) days after said request or recapture, or forty-five (45) days prior to the implementation of said schedule change; and

(vii) Upon request of the Authority, Tenant shall submit an equipment staging plan for the Ramp Area for the Authority's approval under its TAA Process.

(c) Use of Premises by Others. The Premises will be used solely by Tenant or a sublessee or assignee operating with the consent of the Authority, as provided under the provisions of ARTICLE 16.

7.2 Prohibited Uses. Tenant shall not use the Premises for any use not specifically granted herein without the prior written approval of the Authority, which approval may be withheld based on any factor which the Authority, in its sole determination, determines has or may have an impact upon the Authority, the Airport or its efficient or productive operations, provided that any

approval of any additional use may be conditioned upon a reasonable increase in the Rent reflective of Tenant's additional use and inclusion of additional provisions in this Lease. Prohibited uses are expressly agreed to include, but not be limited to, the following:

- (a) Loading, unloading or handling of passengers, baggage, mail or air cargo to or from nonjet aircraft, Regional Jet Aircraft or international aircraft at the Airport to the extent that the Authority determines that any such operation conflicts or interferes with any jet operations;
- (b) Sale of goods of any kind, including, without limitation, sundries, gifts, newspapers, souvenirs, or any other article customarily sold in airport gift shop, newsstand, duty-free or other concessions, and including any other items which fall within the rights provisions of the Authority's contracts with concessionaires;
- (c) The provision or sale of food or beverages on the Premises or in any area of the Airport, provided that the provision or sale of food or beverages to Tenant's passengers in Tenant's club or lounge on the Premises free of charge shall be permitted if the incidental to the provision of airline services;
- (d) Any preparation of food or beverages for in-flight use or terminal use (other than food preparation and beverages in an airline club or lounge, in a manner approved by the Authority);
- (e) Commercial parking;
- (f) Loading, unloading, or handling of cargo in connection with services provided in all-cargo aircraft;
- (g) Display of advertising for persons other than Tenant, or services other than air transportation unless approved by the Authority under the TAA Process, which approval may be withheld in the Authority's sole discretion; and
- (h) Installing or operating or causing to be installed or operated any coin-operated, credit card operated, or other user-paid machine(s) or device(s), including, but not limited to any communications device or any device using telecommunications transmissions of any nature, except for ATMs or similar devices for sale of Tenant's and Tenant's Affiliated Carriers tickets located on the Premises or to serve Tenant's own internal communications, provided such communications are non-revenue generating and are approved through the TAA process.

about the Premises to work in harmony with other elements of labor employed at the Airport, Tenant shall reimburse the Authority for all reasonable costs incurred by the Authority in doing so.

8.5 Vendors, Suppliers and Contractors. Except as otherwise provided herein, Tenant shall have the right to obtain supplies or services from suppliers, vendors or contractors of its own choice for its operations at the Airport, provided that the Authority reserves the right to license and regulate all persons or companies doing business on the Airport and to impose non-discriminatory charges for the privilege of conducting any such business and to prohibit persons from engaging in aeronautical activities, the provision of ground transportation services or any commercial activities at the Airport except in accordance with this Lease and agreements, concession contracts, permits or operating agreements entered into between the Authority and said persons. A charge will not be considered discriminatory for the purposes of this Lease which is more for businesses located on the Airport than for businesses located off the Airport. Provided that Tenant can demonstrate, to the Authority's satisfaction, that a supplier, vendor or contractor is a wholly-owned subsidiary of Tenant and provided further that said supplier, vendor or contractor is providing services exclusively to Tenant or Tenant's Affiliated Air Carriers, said supplier, vendor or contractor shall not be required to pay a fee to the Authority for the privilege to conduct business at the Airport. If, however, Tenant's wholly-owned supplier, vendor or contractor is charging Tenant's Affiliated Air Carriers for its services, said supplier, vendor or contractor shall be required to make payments to the Authority.

8.6 Security. Tenant shall, at Tenant's sole cost and expense, take all security precautions and provide all personnel and equipment necessary to comply with all applicable laws and regulations for passenger screening and other security services for passengers using the Gates, including, without limitation, laws, rules and regulations promulgated by the Federal Aviation Administration ("FAA") from time to time, and shall use contractors acceptable to the Authority. Tenant will make all necessary arrangements with the Authority and pay for all services for law enforcement or security officers required under this Section 8.6.

Tenant shall also be required during the Term of this Lease, at Tenant's sole cost and expense, to take such security precautions, with respect to the Premises and Ramp Area and Tenant's operations and service personnel related thereto, as the Authority in its sole and absolute discretion may, from time to time, require pursuant to generally applicable policies or directives of the Authority. Tenant further stipulates that it shall be solely responsible for providing security to and within the Premises and Ramp Area with no right of reimbursement from the Authority. Tenant further agrees to reimburse the Authority for all fines or charges imposed by the FAA against the Authority as a result of Tenant's violation of any laws, rules and regulations promulgated by the FAA.

8.7 Efficient Use of Space. Tenant acknowledges that a portion of the Premises is to be used by the traveling public. Tenant shall make available such space to its passengers and to the traveling public on a nondiscriminatory basis, including ensuring accessible paths of travel for disabled persons, and shall make reasonable efforts to coordinate its activities and operations with abutting tenants and the Authority so as to maximize efficient use of available space.

8.8 No Waste or Nuisance. Tenant covenants and agrees that it shall not injure, deface or otherwise harm the Premises or use the Premises in any manner that will constitute waste, and

electrical and HVAC), which exclusively serve the Premises, from the point of connection of such system to the Authority's base building systems, but shall not include the roof or structure. The exception of ordinary wear and tear shall not apply so as to permit the Tenant to keep the Premises in anything less than suitable and efficient and usable condition, considering the nature of the Premises and the use reasonably made thereof.

(b) Ramp Area. The Tenant shall perform, at its sole expense, maintenance and repair (other than structural maintenance or structural repair required to be performed by the Authority under Section 9.2) to the Ramp Area in accordance with **Exhibit B**, including, but not limited to, cleaning and non-structural surface maintenance, removal of snow, debris, spillage, any other foreign matter and environmental cleanup.

(c) Loading Bridges. The Tenant shall, at Tenant's sole cost and expense, keep and maintain and promptly repair any damage to the loading bridges serving the Gates at the Premises (including any connecting equipment, joints and the like, required to connect the loading bridges to the Terminal) in accordance with delineation of responsibilities between Authority and Tenant detailed in **Exhibit B**.

(d) Maintenance Plan. Prior to the Commencement Date, the Tenant shall provide for the Authority's review and approval under the TAA Process, a comprehensive preventive maintenance program for all of the equipment Tenant is responsible for maintaining pursuant to this ARTICLE 9 (hereinafter referred to as the "Maintenance Plan"). In addition, Tenant shall, on each anniversary of the Commencement Date, provide the Authority with an update of the Maintenance Plan in form and substance acceptable to the Authority.

Notwithstanding the foregoing Section 9.2, Tenant shall not be responsible for the repair of any damage caused solely by the negligence or willful misconduct of the Authority or its agents, contractors or employees.

9.4 Tenant Improvements. The Tenant shall not place or construct any improvements, structures, alterations, modifications, signs, communications equipment, wiring or additions in, to, or upon the Premises without the prior written approval of the Authority which may be withheld in its sole and absolute discretion. Any such improvements, structures, alterations, modifications, signs, communications equipment, wiring or additions are hereinafter referred to as the "Tenant Improvements". In addition, the Tenant shall obtain the Authority's prior written approval of any of Tenant's Improvements in accordance with the TAA Process described in Section 9.8 hereof, as such process may be amended from time to time. In the event Tenant fails to obtain the Authority's prior written approval, the Authority may, without limiting other remedies available to it, direct in writing that Tenant modify, reconstruct or remove any work done without the approval of the Authority.

9.5 Ownership of Tenant Improvements. Tenant Improvements placed or installed in the Premises by the Tenant shall become part of the Premises, and upon the expiration or earlier termination of this Lease title thereto shall vest in the Authority (unless the Authority elects otherwise), except with respect to trade fixtures or equipment, which may be removed by Tenant provided (i) Tenant is not in default; (ii) such removal can be accomplished without damage to the Premises; and (iii) Tenant obtains the Authority's approval of such removal pursuant to the TAA

process. Upon termination of the Tenant's occupancy of the Premises or the expiration of the Term, the Tenant shall, upon request of the Authority, remove any Tenant Improvements and restore the Premises to the condition as of the date hereof, reasonable wear and tear excepted. If the Tenant does not promptly remove such Tenant Improvements upon request of the Authority and restore the Premises, the Authority may enter the Premises and remove the Tenant Improvements and restore the Premises. The Tenant shall indemnify and save harmless the Authority from all injury, loss or damage to any person or property occasioned by said work except to the extent such loss or damage arises as a result of the negligence or willful misconduct of the Authority. The Tenant shall reimburse the Authority for any and all reasonable costs incurred in so doing, together with interest thereon, at the Default Rate, from the date the Authority incurred such costs until paid.

9.6 Performance of Tenant Improvements, Maintenance and Repairs. The Tenant shall perform all construction of Tenant Improvements, maintenance or repairs promptly in conformance with all applicable statutes, ordinances, building codes, rules, regulations and directives of any local, state or federal entity having jurisdiction, including all generally applicable procedures and requirements of the Authority, and in a good and workmanlike manner, in accordance in all material respects with the drawings and specifications as may be approved by the Authority pursuant to the TAA Process, as it may be amended from time to time, and as set forth in Section 9.8. The Tenant shall bear any and all costs of compliance with the requirements of this Section.

All Tenant Improvements shall be (a) subject to the TAA Process described in Section 9.8, (b) constructed in accordance with the requirements of Section 9.7, and (c) constructed pursuant to construction contracts in conformity with the requirements of Section 9.9. In completing any Tenant Improvements, maintenance and repairs hereunder, Tenant shall keep the Premises free of any liens in accordance with the requirements of Section 9.10.

9.7 Construction. All Tenant Improvements shall: (a) be constructed in accordance with the Authority's building standards and plans approved in writing by the Authority; (b) be constructed by contractors or mechanics pursuant to written construction contracts entered into between the Tenant and the contractor named therein; (c) be constructed and installed in a good and workmanlike manner using only new materials; (d) be constructed in compliance with all applicable statutes, ordinances, building codes, codes and rules, regulations, directives of any local, state or federal entity having jurisdiction and all generally applicable procedures and requirements of the Authority including the Authority's TAA process set forth in Section 9.8; (e) be constructed at Tenant's sole expense and at such times and in such manner as the Authority may from time to time designate without unreasonable interference with or disruption of the operations of tenants or other occupants of the Terminal and the Airport and Tenant shall, at its expense, remove from the Premises all trash which may accumulate in connection with Tenant's activities and, should Tenant fail to do so, the Authority may, in addition to any other right or remedy of the Authority, remove such trash without notice to Tenant, at Tenant's expense, and the expenses so incurred by the Authority shall be due and payable by Tenant, as Additional Rent, upon demand; and (f) become part of the Premises unless the Authority elects otherwise. Tenant expressly acknowledges and agrees that Tenant shall be responsible for obtaining all necessary permits, approvals and variances and for compliance with all of the foregoing laws and regulations.

Prior to commencing any construction, Tenant shall provide the Authority with: (i) copies

of the final plans, as approved; (ii) fully executed construction contract(s); (iii) evidence that the contractor thereunder will perform satisfactorily, including in the Authority's reasonable discretion, lien, performance and payment surety bonds in the form and amount satisfactory to the Authority; and (iv) copies of all licenses, permits, approvals and all other necessary or appropriate actions of any federal, state or city authorities required to enable construction, maintenance or operation of the Tenant Improvements; and (v) all policies of insurance required under the terms of ARTICLE 12. The Tenant shall bear any and all costs of compliance, direct or indirect, with the requirements of this Section.

9.8 Tenant Alteration Application Process. Prior to undertaking the construction or renovation of any proposed improvement, structure, alteration, modification, sign or addition, the Tenant shall submit a complete Tenant Alteration Application ("TAA") in form satisfactory to the Authority, and include with any request for the Authority's approval of the TAA preliminary engineering, architectural plans or other information, in accordance with the requirements of the Authority's TAA process in effect from time to time during the Term (the "TAA Process"). Tenant's application shall be accompanied by the required deposit or bond, which shall be returned to Tenant upon satisfactory completion of the proposed work and submittal of as-built drawings as required. The Authority's approval of any TAA may be withheld, granted or conditioned upon factors which it determines in its sole discretion has or may have an impact upon the Authority, the Airport, its efficient or productive operation, including but not limited to, the removal of any Tenant Improvement upon termination of the Tenant's occupancy of the Premises or expiration of the Term.

The Authority's approval of any TAA shall not be deemed or be construed to indicate or demonstrate adequacy of the design, construction or safety of the proposed Tenant Improvement. Upon completion of the proposed Tenant Improvement, the Tenant, at its own cost, shall make or have made as-built plans of said Tenant Improvement and submit said plans to the Authority within ninety (90) days of completion of said Tenant Improvement. The Tenant shall submit all as-built plans on the version of AutoCAD required from time to time pursuant to the Authority's Tenant Construction Guidelines.

If the Tenant does not obtain the prior written approval of the Authority or, if such approval is obtained, it is not complied with, or Tenant does not submit as-built plans, the Authority may, upon reasonable prior notice, enter the Premises and restore the condition of the Premises, complete the proposed improvement, structure, alteration, modification, sign or addition as described in the approved TAA and/or have as-built plans prepared, as the Authority deems appropriate. The Tenant shall indemnify and save harmless the Authority from all injury, loss or damage to any person or property occasioned by said work except to the extent such loss or damage arises from the negligence or willful misconduct of the Authority. In addition, the Tenant shall reimburse the Authority for any and all reasonable costs incurred hereunder by the Authority (including an amount for fully allocated administrative charges) together with interest thereon at the Default Rate from and after the date upon which the Authority incurred such costs.

9.9 Contracts for Tenant Improvements. All contracts relating to Tenant Improvements shall expressly require all contractors and subcontractors to provide only labor that can work in harmony with other elements of labor being employed at the Airport and will prohibit employment or use of any labor or any other action which might result in a labor dispute involving

ARTICLE 10

UTILITIES

10.1 Utilities to the Premises.

(a) **Electricity.** The Authority shall be the sole provider of electricity to the Premises and shall be obligated to provide electricity to the Premises only by means of wiring installations in existence at the commencement of the Term. Tenant shall not install, maintain or repair any electrical fixtures, appliances or equipment within the Premises without the Authority's prior written approval, and the Tenant agrees that its use of electric current shall never exceed the capacity of the wiring installation in place.

(b) **HVAC.** The Authority shall provide utility systems to provide heat and air conditioning to the Premises by means of utility installation in existence as of the Commencement Date. The Tenant agrees that its use of said utility systems shall never exceed the capacity of the utility installation in place.

(c) **Water.** The Authority shall provide potable water to the Premises only by means of plumbing installations in existence as of the Commencement Date.

(d) **Telephone/Telecommunications.** The Authority shall have no obligation to provide telephone or data communication services to the Premises.

(e) **Tenant's Responsibility.** If Tenant shall require utilities in excess of reasonable quantities to be provided through existing installations at the Terminal, and if (i) in the Authority's judgment, the existing facilities are inadequate for such excess requirements, or (ii) such excess use shall cause an additional burden on the existing utility systems, Tenant shall, subject to the Authority's approval, at Tenant's sole cost and expense, furnish and install such additional wires, conduits, feeders, switchboards and related equipment as reasonably may be required to supply such additional requirements of Tenant. Tenant shall be solely responsible for the operation of all equipment, systems, piping, tie-ins, utilities, lines and connections, mechanical, electrical, communication and other systems located within and exclusively serving the Premises and shall perform, in accordance with the provisions of ARTICLE 9, all preventative maintenance, repairs, replacements and rebuilding of such systems.

10.2 Improvement of Utility System. In the event existing sources of utility supply hereunder are subsequently deemed inadequate for the Tenant's needs as a result of the Tenant's increased utility demands, expansion or improvements, the Tenant, at its sole cost and expense, may upon written prior approval of the Authority, improve such systems, provided such improvements are undertaken in conformance with the provisions of this Lease including, without limitation, the TAA Process.

10.3 Tenant's Acts. Tenant shall not do or knowingly permit to be done anything which may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, ventilation, air-conditioning and heating systems, communications system, key card access systems, elevators and escalators, electrical system, fire-protection system, sprinkler system, alarm

system, fire hydrants and hoses and other utility and other systems, if any, installed or located on, under, in or adjacent to the Premises now or in the future.

10.4 No Constructive Eviction. The Authority shall make diligent efforts to supply Tenant with utility services as specified above; however, if the Authority makes such diligent efforts, but fails to provide said utility services, said failure shall not constitute a constructive eviction. Further, the Authority shall not be liable to Tenant in damages, or for any reduction in Rent, or otherwise, for any interruption of utility services (including heating) (i) to the extent any utility shall become unavailable from any public utility company, public authority or any other person or entity supplying or distributing such utility, or (ii) for any interruption in any service hereunder (including, without limitation, any heating, ventilation or air-conditioning) caused by the making of any necessary repairs or improvements (unless and to the extent such repairs are necessitated by the negligence or willful misconduct of the Authority); or (iii) which results from any cause beyond the reasonable control of the Authority. In no event shall the Authority be liable to Tenant for indirect or consequential damages.

10.5 Charges. The Authority shall charge Tenant and Tenant shall pay for utility services in accordance with Section 6.2.

10.6 Energy Conservation. The Authority shall have the right to institute such policies, programs and measures as may be necessary or desirable, in the Authority's discretion, for the conservation and/or preservation of energy or energy related services, or as may be required to comply with any applicable codes, rules and regulations.

ARTICLE 11 **ENVIRONMENTAL**

11.1 Environmental Laws. Tenant shall observe, obey and cause its employees, agents, contractors, subcontractors, and licensees to observe and obey all applicable Environmental Laws.

11.2 Environmental Representations and Warranties. Tenant hereby represents and warrants to the Authority as follows:

(a) Except as may be permitted by and only in compliance with applicable Laws, including without limitation Environmental Laws, Tenant shall not allow any Hazardous Materials to exist or be stored, located, discharged, possessed, managed, processed, or otherwise handled on the Premises, and shall strictly comply with all Environmental Laws affecting the Premises, including, without limitation, those laws regarding the generation, storage, disposal, release and discharge of Hazardous Materials. Without limiting the generality of the foregoing, Tenant has not been, is not, and will not become involved in operations at the Premises involving Hazardous Materials, except as expressly permitted by and only in compliance with applicable Law. Moreover, at the request of the Authority, Tenant shall become a co-permittee with the Authority, and with other tenants at the Airport if required by the Authority, for stormwater discharge permits under applicable federal or state law. Tenant expressly warrants, represents and covenants that Tenant, its employees, agents, contractors and subcontractors, licensees and invitees shall strictly comply with the requirements of all Environmental Laws affecting the Premises and shall immediately notify the Authority of any release or threat of release of Hazardous Materials at, upon,

ARTICLE 15
GATE USE

15.1 **Preferential Gate Use.** Tenant's use of the Premises and any preferential Gates associated therewith shall be subject to the Authority's then-current preferential gate use policy, a copy of which is attached hereto as **Exhibit D**, as such policy may thereafter be amended by the Authority to conform to the preferential gate use policy adopted pursuant to the resolutions of the Authority from time to time. Such policy as so amended from time to time is hereinafter referred to as the "Preferential Gate Use Policy."

ARTICLE 16
ASSIGNMENT/SUBLETTING

16.1 **Restriction on Transfers.** Except as expressly provided herein, Tenant shall not (i) assign, transfer, license, permit, contract or otherwise transfer this Lease or the term and estate hereby granted, (ii) sublet the Premises or any part thereof or allow the same to be used or occupied by others, or (iii) mortgage, pledge, license, or encumber this Lease or the Premises or any part thereof in any manner by reason of any act or omission on the part of Tenant without, in each instance, obtaining the prior written consent of the Authority, which approval may be withheld in the Authority's sole and absolute discretion. Any attempted transfer of this Lease shall, at the Authority's option, terminate this Lease. In the event of such a termination, the Tenant shall remain liable for all Rent and Additional Rent due under this Lease and all damages suffered by the Authority on account of said breach by the Tenant. This prohibition includes any subletting or assignment which would otherwise occur by operation of law, merger, consolidation, reorganization, transfer, takeover or other change of Tenant's corporate or proprietary structure, or an assignment or subletting to or by a receiver or trustee in any Federal or state bankruptcy, insolvency, or other proceedings; provided, however, in such event, if the Authority does not consent to such assignment or subletting, the Authority's sole remedy shall be the termination of this Lease. For purposes of this Section: (A) the transfer of a majority of the issued and outstanding capital stock of any corporate tenant, or of a corporate subtenant, or the transfer of a majority of the total interest in any partnership tenant or subtenant which results in a change of control, however accomplished, whether in a single transaction or in a series of related or unrelated transactions, shall be deemed an assignment of this Lease, or of such sublease, as the case may be, except that the transfer of the outstanding capital stock of any corporate tenant, or subtenant, shall be deemed not to include the sale of such stock by persons or parties, through the "over the counter market" or through any recognized stock exchange, (B) a takeover agreement shall be deemed a transfer of this Lease, (C) any person or legal representative of Tenant, to whom Tenant's interest under this Lease passes by operation of law, or otherwise, shall be bound by the provisions of this ARTICLE 16, (D) any dissolution, sale or other transfer of substantially all of the assets of Tenant shall be deemed an assignment of this Lease, and (E) a modification or amendment of a sublease extending the term thereof, expanding the premises demised thereunder or otherwise substantially altering the nature or extent of the occupancy contemplated thereby, shall be deemed a new sublease. As used herein, the term "control" shall mean the power and ability to direct the management and affairs of the corporation or partnership involved. Consent by the Authority to any assignment or subletting shall not constitute a waiver of the requirement for such consent to any subsequent assignment or subletting.

16.2 Conditions of Assignment/Subletting/Transfer. Any assignment or transfer shall be made only if, and shall not be effective until, the assignee shall execute, acknowledge and deliver to the Authority a recordable agreement, in form and substance reasonably satisfactory to the Authority, whereby the assignee shall assume the obligations and performance of this Lease and agree to be bound by and upon all of the covenants, agreements, terms, provisions and conditions hereof on the part of Tenant to be performed or observed and whereby the assignee shall agree that the provisions of ARTICLE 16 hereof shall, notwithstanding such an assignment or transfer, continue to be binding upon it in the future or if such assignment or assumption is effected as a matter of law, then the assignee shall execute, acknowledge and deliver an instrument in form and substance reasonably satisfactory to the Authority confirming the assumption of the obligations and performance of this Lease as aforesaid and shall deliver to the Authority such evidence as the Authority may reasonably request that an assumption in accordance with the terms of this Lease has been effected as a matter of law. Tenant shall pay the Authority the reasonable out-of-pocket costs (including attorneys' fees) incurred by the Authority to review the proposed assignment within thirty (30) days of requesting the Authority's consent thereto. Tenant covenants that, notwithstanding any assignment or acceptance of Rent by the Authority from an assignee or transferee or any other party, Tenant shall remain fully and primarily liable for the payment of the Rent, Additional Rent and any other sums due and to become due under this Lease and for the performance of all of the covenants, agreements, terms, provisions and conditions of this Lease on the part of Tenant to be performed or observed. To charge Tenant named in this Lease and its successors in interest, no demand or notice of any default shall be required; Tenant and each of its successors in interest hereby expressly waives any such demand or notice. Further and without limiting the generality of the foregoing, the Authority is expressly entitled to condition its approval to any sublease on the following:

(a) The Tenant shall pay the Authority as Additional Rent ten percent (10%) of the Tenant's gross revenue from the services and facilities it provides to the Sublessee;

(b) The inclusion of the following provisions in each sublease:

(i) The Sublessee shall be required to enter into arrangements with the Authority satisfactory to assure the payment of landing fees or other fees and otherwise govern the Sublessee's use of the common use landing field facilities;

(ii) The Sublessee shall be required to enter into arrangements or agreements, concession contracts, permits or operating agreements with the Authority if the Sublessee engages in aeronautical activities, the provision of ground transportation services or any commercial activities at the Airport;

(iii) The sublease is subject and subordinate to all the terms, covenants, agreements, provisions, and conditions of this Lease, including, without limitation, Tenant's obligation to comply with all applicable directives, rules, regulations, directions and laws of the Authority, local, state and federal entities, including but not limited to, those relating to Airport operations, airfield security and access;

(iv) The subtenant or assignee of the subtenant, as the case may be, does not have the right to a further assignment thereof or to sublease thereunder, or to allow the demised premises to

be used by others, without the consent of the Authority in each instance in accordance with the requirements of ARTICLE 16 of the Lease;

(c) Together with requesting the Authority's consent hereunder, Tenant shall have paid the Authority any reasonable out-of-pocket costs (including attorneys' fees) incurred by the Authority to review the proposed subletting.

16.3 Consent by Authority. The Authority's written consent to any sublease or assignment shall not be deemed or construed to modify, amend or affect the terms and provisions of this Lease, or Tenant's obligations hereunder, which shall continue to apply to the occupants thereof, as if the sublease or assignment had not been made. Notwithstanding any assignment or sublease, Tenant shall remain fully liable for the payment of Rent and Additional Rent and for the other obligations of this Lease on the part of Tenant to be performed or observed. In the event that Tenant defaults in the payment of any Rent, or Additional Rent, the Authority is authorized to collect any rents due or accruing from any assignee, subtenant or other occupant of the Premises and the receipt of any such amounts by the Authority from an assignee or subtenant, or other occupant of any part of the Premises, shall not be deemed or construed as releasing Tenant from Tenant's obligations hereunder or the acceptance of that party as a direct tenant. Approval by the Authority to any sublease shall not be in any way be construed to relieve Tenant from obtaining further approval for any subsequent sublease. The acceptance by the Authority of the payment of Rent or Additional Rent following any assignment or other transfer prohibited by this ARTICLE 16 shall not be deemed to be a consent by the Authority to any such assignment or other transfer nor shall the same be deemed to be a waiver of any right or remedy of the Authority hereunder.

16.4 Handling Services. Provided Tenant is providing baggage and other ramp services, Tenant and Tenant's Affiliated Carriers may, with the Authority's consent as provided below, permit other scheduled air carriers certified in accordance with 49 U.S.C. Section 1301 to use portions of the Premises during the provision of such services by Tenant for the operation of, or incident to, or in connection with the air transportation business performed or to be performed by said carrier. Any such contract, relationship or arrangement (each, a "handling agreement") relating to such handling services shall be subject to the Authority's prior written consent, which may be withheld in the Authority's sole discretion. The Authority shall condition its consent, if granted to any handling agreements with any party, on payment by Tenant to the Authority as Additional Rent five percent (5%) of Tenant's gross revenue from the handling services it provides to the certificated air carrier. Provided that Tenant can demonstrate, to the Authority's satisfaction, that a supplier, vendor or contractor is a wholly-owned subsidiary of Tenant and, to the extent that said supplier, vendor or contractor is providing services to Tenant or any entity wholly owned by Tenant, said supplier, vendor or contractor shall not be required to pay a fee to the Authority for the privilege of conducting such business at the Airport, except to the extent that such fee would be required to be paid by Tenant if Tenant were performing such services with its own employees. All such handling agreements will be terminable by either party upon not more than thirty (30) days' prior written notice. To the extent that gross revenue from handling services cannot be distinguished from gross revenue derived through a sublease arrangement of facilities and related services, it shall be presumed that said gross revenue is from a sublease and is subject to the ten percent fee described in Section 16.2.

(e) Tenant shall comply with all federal and state laws and Authority regulations pertaining to Civil Rights and Equal Opportunity, including executive orders and rules and regulations of appropriate federal and state agencies unless otherwise exempt therein.

(f) At the sole discretion of the Authority there may be established a Liaison Committee consisting of representatives of the Authority and Tenant. Tenant shall recognize the Liaison Committee and shall establish a continuing working relationship with the Liaison Committee for purposes of consultation on all matters relating to non-discrimination, minority and female business enterprise utilization.

(g) Tenant shall indemnify and hold harmless the Authority from any claims and demands of third persons resulting from Tenant's non-compliance with any of the provisions of this ARTICLE 17 and in case of termination or cancellation of this Agreement as a result of Tenant's failure to comply with the requirements of this ARTICLE 17, Tenant shall indemnify the Authority during the remainder of Term against any loss or damage suffered by reason of such termination.

ARTICLE 18

DEFAULT AND TERMINATION

18.1 **Events of Default.** It shall be an Event of Default if:

(a) Tenant fails to enter into an operating agreement with the Authority, on the Authority's standard form, as such form may be amended from time to time (the "Operating Agreement"), by the date of execution of this Lease;

(b) Tenant fails to pay any Rent, Additional Rent or other charge or any portion thereof when due under this Lease and such failure continues for five (5) business days after notice from the Authority provided that such notice shall not be required if the Authority has given prior notice of a similar default within the preceding twelve (12) month period;

(c) Tenant shall fail to carry insurance as required under this Lease or to comply with any applicable law, rule or regulation concerning security, and such failure continues for 48 hours after notice from the Authority thereof;

(d) Tenant fails to keep or perform any other covenant, condition or provision herein or under the Operating Agreement within the time provided herein, as applicable or in the event no time is specified, within thirty (30) days after written notice from the Authority of such failure (unless such default is of a nature that it cannot be cured within such thirty day period, in which event no default shall occur so long as Tenant shall commence the curing of the default within the thirty day period and promptly prosecute the curing of the same);

(e) Tenant abandons for a period of thirty (30) successive days or more the conduct of its operations at the Premises;

(f) A governmental authority, board, agency or officer of the United States or with competent jurisdiction terminates or suspends any certificate, license, permit or authority held by Tenant without which Tenant shall not be lawfully empowered to operate its air carrier operations at

the Airport;

(g) A court of competent jurisdiction enters a judgment or an injunction which remains in force for a period of at least sixty (60) days, the effect of which is to prevent or prohibit Tenant from operating its air carrier operations at the Airport;

(h) Except as otherwise provided by applicable law, if the estate hereby created shall be taken on execution or by other process of law, or if Tenant shall be judicially declared bankrupt or insolvent according to law, or if any assignment shall be made of the property of Tenant for the benefit of creditors, or if a receiver, guardian, conservator, trustee in involuntary bankruptcy or other similar officer shall be appointed to take charge of all or any substantial part of Tenant's property by a court of competent jurisdiction, or if a petition shall be filed for the reorganization of Tenant under any provisions of law now or hereafter enacted, and such proceeding is not dismissed within sixty (60) days after it is begun, or if Tenant shall file or consent to a petition for such reorganization, or for arrangements under any provisions of such laws providing a plan for a debtor to settle, satisfy or extend the time for the payment of substantially all or general payment of debts.

18.2 Authority's Remedies. Upon the occurrence of an Event of Default, the Authority may, without notice to Tenant (except as expressly provided herein) do one or more of the following, in its sole discretion:

(a) Without demand or notice (and Tenant expressly waives any notice to quit the Premises), the Authority may elect to terminate this Lease and the tenancy created hereby; thereupon the Authority may re-enter the Premises, by summary proceedings or otherwise.

(b) Exercise its right of self-help provided in Section 14.1.

(c) With or without terminating the Lease, the Authority may reenter, by summary proceedings or otherwise, terminate possession of the Premises by Tenant and relet the Premises and bring an action for Rent and/or damages. Notwithstanding any such reentry or termination, Tenant shall remain liable for the full Rent and Additional Rent through the Expiration Date. The Authority may bring an action from month to month for the Rent and/or damages, which accrue in accordance with this subsection. The Authority may accelerate Rent, Additional Rent and bring an action for the unpaid Rent, Additional Rent and all Rent and Additional Rent payable for the remainder of the Term, and all accrued interest and all costs associated with such redemption. In the event the Authority elects to accelerate the unpaid Rent and Additional Rent, Tenant shall pay to the Authority an amount equal to the excess of the then value, if any, of the total Rent, Additional Rent and other benefits which would have accrued to the Authority under this Lease for what would be the remainder of the Term, over the aggregate projected rental value of the Premises, estimated as of the date of such election, as a single lump sum, for the balance of such period.

(d) By any suitable action or proceeding in equity or at law, enjoin such Event of Default and/or any threatened breach by Tenant of any of the agreements, terms, covenants or conditions contained in this Lease and invoke any right or remedy allowed at law or in equity or by statute or otherwise as though re-entry, summary proceedings, and other remedies were not provided for in this Lease.

the Premises shall continue to be acceptable to the Authority in accordance with the terms hereof; and such other matters as the Authority may reasonably require at the time of such assumption or assignment. The furnishing of assurances in accordance with the foregoing, or as may be directed by a court of competent jurisdiction, shall not be deemed to waive any of the covenants or obligations of Tenant set forth in this Lease. In the event that any person assuming this Lease, or taking the same by assignment, shall desire to make alterations to the Premises, the Authority may further require adequate assurance, by lien and completion bond, cash deposit or such other means as the Authority may approve, of the source of payment for the estimated cost of any work to be performed in connection therewith. Notwithstanding the foregoing, such alterations shall be subject in all respects to the rights and obligations of the Authority or Tenant relating to such alterations, including, without limitation, those set forth in ARTICLE 9 hereof.

ARTICLE 19

GENERAL PROVISIONS

19.1 **Vending Machines.** Except ATM's or similar devices for sale of Tenant's or Tenant's Affiliated Carriers tickets, Tenant shall not install or operate or cause to be installed or operated vending machines or other coin or credit card operated devices of any nature, including but not limited to any device using telephone transmissions, of any nature, ("Vending Machines") on the Premises without the prior written approval of the Authority. The Authority may condition its approval upon the payment of all net revenue derived by Tenant from the operation of the Vending Machines or, in the absence of net revenue, a reasonable minimum payment as determined by the Authority.

19.2 **Quiet Enjoyment.** Subject to the terms and conditions of this Lease, and payment of the Rent and charges provided herein and upon the performance of the covenants and agreements on the part of Tenant to be performed hereunder, Tenant shall peacefully have and enjoy the Premises and the rights and privileges granted by this Lease. The foregoing covenant of quiet enjoyment is in lieu of any other covenant, express or implied.

19.3 **Trust Agreement.** Tenant acknowledges that the Authority is a party to a Trust Agreement dated as of the first day of August, 1978, between the Authority and State Street Bank and Trust Company as trustee. Tenant agrees to consent to amendments or modifications to this Lease reasonably required in the opinion of legal counsel to the Authority, who shall have recognized expertise in bond matters, to assure the Authority's compliance with its obligations thereof, or with the obligations of successor or additional Trust Agreements into which the Authority may enter in the course of issuing additional or refunding bonds as permitted by law.

19.4 **Agreements with the United States.** This Agreement is subject and subordinate to the provisions of any agreement heretofore or hereafter made between the Authority and the United States, the execution of which is required to enable or permit transfer of rights or property to the Authority for airport purposes or expenditure of federal grant funds for Airport improvement, maintenance or development. Tenant shall reasonably abide by requirements of agreements entered into between the Authority and the United States, and shall consent to amendments and modifications of this Lease if required by such agreement or if required as a condition of the Authority's entry into such agreements.